



## CABINET

Tuesday 3 November 2020

### TRANSFER OF PROPERTY IN ST JAMES SOUTH ELMHAM

#### EXECUTIVE SUMMARY

This report seeks consent to dispose of an area of open space in St James South Elmham to the parish meeting.

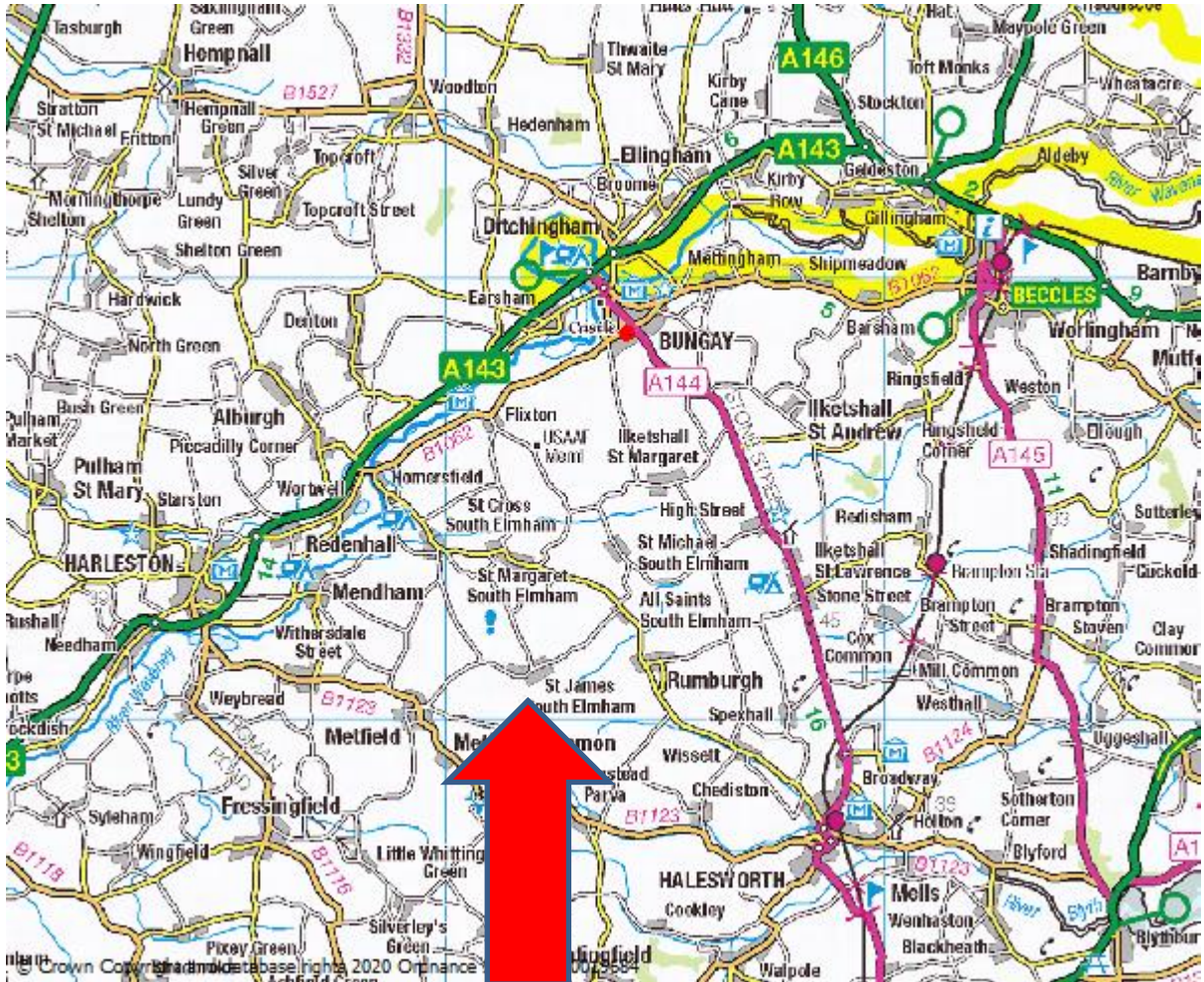
Is the report Open or Exempt?	Open
<b>Wards Affected:</b>	Bungay & Wainford
<b>Cabinet Member:</b>	Councillor Richard Kerry Cabinet Member with responsibility for Housing
<b>Supporting Officer:</b>	Angus Williams Surveyor 01502 523352 <a href="mailto:Angus.williams@eastsoffolk.gov.uk">Angus.williams@eastsoffolk.gov.uk</a>

# 1 INTRODUCTION

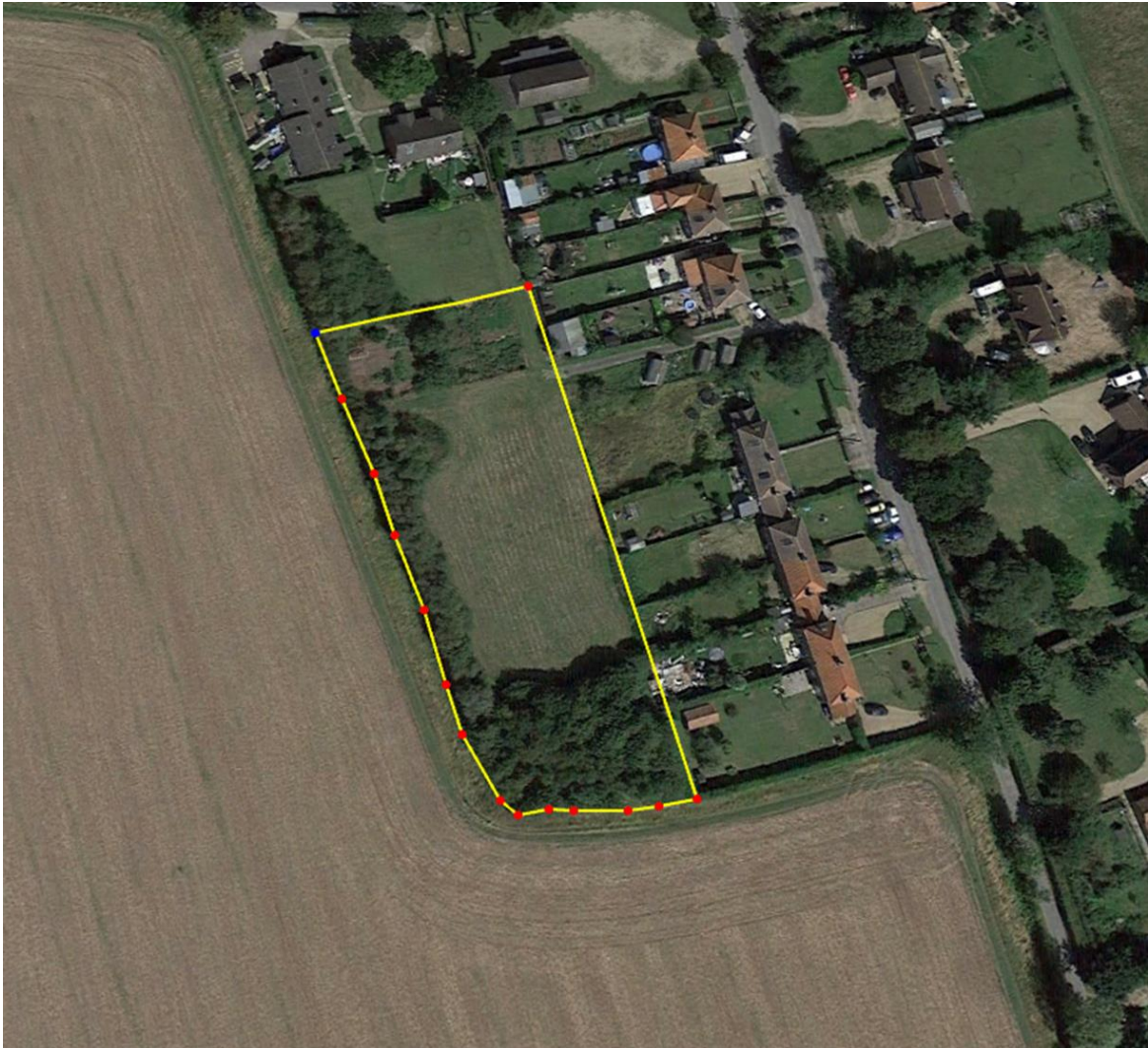
1.1 St James South Elmham Parish Meeting (“The Parish Meeting”) approached East Suffolk Council (ESC) with a view to acquiring a parcel of land currently owned by ESC, within the Housing Revenue Account (HRA). It is proposed to transfer the property at nil cost on the basis The Parish Meeting would be responsible for all future maintenance of the land.

# 2 THE PROPERTY

2.1 The subject land is situated to the south west of the village of St James South Elmham, which is approximately 8 miles south of Bungay. A plan showing the location of the property is shown below:



- 2.2 The site comprises a rectangular area of land currently laid to grass and surrounded by a dense hedge. There is a wooded area adjoining the southern boundary, residential properties to the east and agricultural land to the west. ESC owns and lets some garages next to the access road to the property. The land extends to 0.47 ha (1.15 acres). An aerial photograph showing the proposed site is shown outlined in yellow below and a plan to scale is included at Appendix B:



Map data Copyright Google 2020

- 2.3 The land is designated as public open space and it is used by the general public for recreation.

### **3 PLANNING**

- 3.1 The land is classified as open space (Policy WLP 8.23) in the Waveney Local Plan, adopted in March 2019. This policy states there is a presumption against any development that involves the loss of open space or community sport and recreation facilities.
- 3.2 In view of the planning status of the property it is considered highly unlikely that there could be any successful application for development during the lifetime of the current local plan. It is highly unlikely future local plans will change from this significantly. We

understand it is the intention of The Parish Meeting to continue to use the land as open space and therefore no planning application would be required upon any sale agreed.

#### **4 MAINTENANCE**

- 4.1 The land is currently maintained by St James South Elmham Parish Meeting by their own volition. It is estimated by East Suffolk Norse that if they were to undertake full maintenance of this area it would cost in the region of £900 per annum.

#### **5 VALUATION**

- 5.1 The Housing Service instructed a valuation and sales advice from the Asset Management Team in line with the land disposals policy set out within the Asset Management Strategy 2019-2023.
- 5.2 The Asset Management Team provided a valuation of the land which is attached at **Appendix A**. In summary however the valuation showed comparable market evidence with sales of land ranging between £14,000 and £22,000 per acre. The valuation methodology indicates a value of £15,000 per acre for the site and this equates to a Market Value of £17,250 for the property.
- 5.3 The Asset Management Team has therefore recommended a transfer to The Parish Meeting taking into consideration the Market Value of £17,250.

#### **6 PROPOSED TRANSFER**

- 6.1 It is proposed that ESC transfer the freehold interest in the property to St James South Elmham Parish Meeting for nil consideration subject to retaining an overage entitling ESC to an 85% share of any uplift in value on the grant of any planning consent over the land for a period of forty years. ESC will retain the ownership of the access road adjacent to the garages and grant a right of access to the property.
- 6.2 The Parish Meeting have a good track record in looking after community assets. They have been successful in establishing and managing the St James Village Orchard, an area of open space planted as an orchard and looked after by The Parish Meeting for the benefit of local residents and visitors from further afield.
- 6.3 The retention of an overage ensures that ESC is seen to achieve best value as required under s123 Local Government Act 1972. A sale on the open market would be unlikely to reflect any potential future uplift. An overage ensures that if there is any unexpected gain within the time period that ESC will still benefit. Were the planning constraints to be unexpectedly lifted in the future and the property obtain a change of use, ESC would be entitled to a share of any uplift in value arising from this.
- 6.4 The disposal of the open space land is considered to be justified by ESC no longer being responsible for the maintenance of the land. At an annual maintenance cost of £900 per year, the cost to ESC of gifting the land worth £17,250 would be paid back in nineteen

years. This takes no account of the likely increase in maintenance costs over time or the central expense incurred in managing the property.

## **7 HOW DOES THIS RELATE TO THE EAST SUFFOLK STRATEGIC PLAN?**

7.1 One of the five key themes of the Strategic Plan is remaining financially sustainable. The sustainable transfer of our assets to communities is listed as a key metric of the delivery of our priority to make best use of our assets.

7.2 Another key theme of the Strategic Plan is the enabling of our communities. It is recognised that local projects facilitate greater community strength and resilience as a means of ensuring that the local structures and delivery mechanisms are in place to deliver local support as and when necessary. It is also recognised that outdoor space plays a key role in maintaining wellbeing and good mental health. Remote areas such as this run the risk of slipping through the net when matters such as these are considered on a wider national or county scale. Facilitating access by local residents to areas of public space for which they are responsible and can see the results of their efforts all contribute to success in this key theme.

## **8 FINANCIAL AND GOVERNANCE IMPLICATIONS**

8.1 The transfer of this property will mean ESC will no longer own the freehold interest in this property.

8.2 The proposed transfer seeks to dissolve ESC of any maintenance liability of the land, estimated to be in the region of £900 per annum.

8.3 As this is HRA land under Section 32(2) of the Housing Act 1985 then no disposal may take place without the consent of the Secretary of State. However, as this land is vacant the Council can avail itself of the General Housing Consent 2013 A3.2. As this is a disposal of Public Open Space, under Section 123(2A) of the Local Government Act 1972 the proposed disposal must be advertised for two consecutive weeks in a newspaper circulating in the area in which the land is situated, the Council must consider any objections to the proposed disposal which may be made to them.

## **9 OTHER KEY ISSUES**

9.1 This report has been prepared having considered the results of an Equality Impact Assessment Ref EQIA 257311752. This has no positive or negative impacts on any of the groups of protected characteristics.

## **10 CONSULTATION**

10.1 St James South Elmham Parish Meeting.

## **11 OTHER OPTIONS CONSIDERED**

11.1 To sell the property at the Market Value. The Parish Meeting are not in a position to purchase the property at the Market Value. Were ESC to sell to a private individual the

public use of the land may be challenged by the new owner which could deny the public the use of an important area for recreation.

- 11.2 It would be possible for ESC to retain the freehold interest in the land. Both a short and long lease were considered, which would leave ESC with the liability for the land on the reversion of any lease, but the Parish Meeting preferred to take the freehold interest.
- 11.3 To retain the property and deny the Parish Meeting any involvement. This would deliver none of the positive outcomes listed above and leave ESC responsible for the maintenance of this land.

## **12 REASON FOR RECOMMENDATION**

- 12.1 The Asset Management Team is of the opinion that the proposed transfer delivers positive outcomes in accordance with the East Suffolk Strategic Plan.

### **RECOMMENDATION**

That Cabinet approves the transfer of the land shown in the plan at Appendix B together with access across the land shown edged in brown to St James South Elmham Parish Meeting for nil consideration subject to an overage agreement retaining 85% of any uplift in value on the grant of planning consent for any development for a period of 40 years.

### **APPENDICES**

<b>Appendix A</b>	Valuation
<b>Appendix B</b>	Plan

### **BACKGROUND PAPERS**

None